

FOREST BUSINESS OPPORTUNITIES

Challenge Grants Available to Promote Sustainable Forest Management

The difficulty of managing small parcels of land and the long-term nature of forest management has increased interest in alternative ways to generate income from forestland.

Enterprises, such as producing edible and medicinal plants, decorative products, and recreational uses, may provide new ways for landowners to generate income; at least enough to pay property taxes and have the potential to develop into small businesses appropriate for rural areas.

The Department of Environmental Management has received funding from the USDA, Forest Service to distribute grants to forest landowners interested in starting small businesses based on producing specialty crops that are grown and harvested in forests.

These grants are intended to promote sustainable forest practices on private woodland by helping forest landowners overcome the financial barriers to starting up a natural resource based business.

This Publication describes the rules and procedures for the administration of these grants.

The goal of this project is to preserve healthy and sustainable forests by encouraging landowners to adopt innovative forest based business activities that meet changing landowner and community needs

What is a Challenge Grant?

Challenge Grants are funds given to landowners to initiate alternative forest based business's for projects. These grants are awarded on a competitive basis to landowners that best demonstrate the ability to successfully complete the project. In return, the landowner must agree to provide follow-up information on crop production and yield.



Eligible Landowners

Forest landowners eligible for grant funding through this program include private individuals, recognized native American tribes, non-government groups or associations with five or more acres of forestland.

Eligible Projects

Eligible project categories as established by the Committee include: edible and medicinal products, floral greenery, specialty wood products, and forest based recreation. Funding priority will be given to projects that, in the opinion of the Committee, are the most likely to succeed and become viable forest based businesses based on the information provided in the grant application.

A brochure describing these categories is available for download at



www.state.ri.us/dem/programs/bpoladm/startpp/forprod/orstprd.htm

Eligible Project costs

The grants must be used to offset expenses related to the startup of alternative forest based businesses. This includes up to 50 percent of the cost of supplies and

materials directly related to startup. Items not eligible for reimbursement include: land purchase, leasing, property taxes, or other costs for the use of land, engineering charges, permit fees, consultant fees, equipment purchase or other capital costs. Tax reporting is the responsibility of the landowner.

The grant award shall not exceed 50 percent of eligible costs as determined by the Committee. Grants will range from \$500.00 to \$1,000.00 each, but may be larger for appropriate and/or worthy projects as determined by the Committee.



Only costs outlined in the project plan, and approved by the Committee, are eligible for reimbursement. No costs incurred prior to notification of grant award will be eligible for reimbursement. See the Grant Application form for Project Plan requirements.

Administration

Qualified landowners should submit an application, including a project plan and locus plan of the property, to the DEM for review. To request an application call 222-3434, extension 4403. Applications must be submitted by March 22, 2005.

A Committee reviews and ranks the applications based on guidelines established for this process and funds are reserved for projects that best meet the objectives of the challenge grant program. Landowners have one year to complete the practice. To receive reimbursement, landowners must complete their projects and submit a final report (including documentation of the expenses) by November 18, 2005.

Want to know more?

FOREST BUSINESS OPPORTUNITIES
publications available from RIDEM

Cultivated Mushrooms	Wild Mushrooms	Ginseng	Witch Hazel
Maple Syrup	Recreation	Hunting Leases	
Specialty Wood Products	Floral Greens		

Other Sources of Information

A Forest Landowner's Guide to Internet Resources. USDA, Forest Service. www.na.fs.fed.us/pubs/misc/ir/index.ht. Last accessed 4/10/03.

Alternative Forest Business Opportunities. RI Department of Environmental Management. Providence, RI. www.state.ri.us/dem/programs/bpoladm/stratpp/forprod/forstprd.htm Last Accessed 4/10/03

Center for Integrated Natural Resource and Agricultural Management (CINRAM). University of Minnesota. Saint Paul, MN. www.cnr.umn.edu/FR/CINRAM/home/ Last accessed 4/10/03.

National Sustainable Agriculture Information Service. ATTRA Appropriate Technological Transfer for Rural Areas. Fayetteville, AR www.attra.org. Last Accessed 4/10/03

Specialty Forest Products Marketing and Utilization. Virginia Tech Blacksburg, VA www.sfp.forprod.vt.edu/ Last accessed 4/10/03.

USDA National Agroforestry Center. Lincoln, Nebraska. www.unl.edu/nac/ last accessed 4/10/03

RI Department of Environmental Management & the Rural Lands Coalition Subcommittee Participants include:



Rhode Island DEM:
Sustainable Watersheds Office
Division of Forest Environment
Division of Agriculture

Rhode Island Forest Conservators Organization

Southern New England Forest Consortium

USDA, Natural Resources Conservation Service

For more information contact:

RI DEM, Division of Forest Environment
(401) 637-3367 or visit our website at:
www.state.ri.us/dem/programs/bnatres/forest/index.htm

USDA, Natural Resources Conservation Service
(401) 828-1300

Sponsored by Rhode Island Department of Environmental Management,
in cooperation with the Rhode Island Rural Lands Coalition

Project funding provided through a grant
from the USDA Forest Service Rural Development through Forestry Program

Programs and activities are available to all persons
without regard to race, color, sex, disability, religion,
age, sexual orientation, or national origin.

